

BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI.

The Opinions of the Courts Below.

The District Court did not file an Opinion. Its Findings of Fact and Conclusions of Law appear in the record at pages 303-306.

The Opinion of the Circuit Court of Appeals is now published in 140 F. (2) 615 (Advance Sheets for April 3, 1944) and is included in the record at pages 315-321.

Jurisdiction.

The grounds of jurisdiction are:

1. The date of the judgment to be reviewed is February 14, 1944 (R. 321). Rehearing was denied March 7, 1944 (R. 337).

2. The statute under which the jurisdiction is invoked is § 240-A of the Judicial Code, 28 U. S. C. § 347, as amended by the Act of February 13, 1925.

3. Cases believed to sustain the jurisdiction are:

The Williams Manufacturing Co. v. United Shoe Machinery Corporation, 316 U. S. 364.

The Goodyear Tire & Rubber Company et al v. Ray-O-Vac Company, . . . U. S. . . . (No. 262—October Term 1943, decided February 28, 1944).

Statement of the Case.

The facts are sufficiently stated in the petition.

Specification of Errors.

The errors which petitioner will urge, if the writ of certiorari be granted, are that the Circuit Court of Appeals for the Eighth Circuit erred:

1. In failing to follow the principle of law firmly established by the decisions of this Court that, when a patentee has produced a new device which satisfies a long-existing, well-recognized want, which others had attempted in vain to supply, invention is to be inferred rather than the exercise of mechanical skill.

2. In holding that, because patents upon the material out of which petitioner's new device is made have expired, the public is free to make petitioner's new device.

3. In misapplying the decision of this Court in *Roberts v. Ryer*, 91 U. S. 150 to the facts of this case.

4. In holding that, because of the prior use of paper insurance certificates on the windshields of taxicabs the conception that a frangible film license sticker, for the purposes of the device of the patent in suit, cannot "reasonably be regarded as the product of inventive genius."

5. In failing to sustain the validity of the patent in suit upon the ground that it solved a long-existing, well-recognized problem in an effective and economical manner.

Summary of the Argument.

The points of the argument follow the questions presented and are stated in the index hereto. For the sake of brevity they are omitted at this point.

ARGUMENT

Point I.

When a court has found that a patentee has made a meritorious discovery which is an effective and economical solution of a long-existing and well-recognized problem, which others had failed to solve, and that his solution has commended itself to the public as evidenced by its prompt adoption and commercial success, the court may not ignore these accepted indicia of invention and, disregarding the established law, conclude that the discovery resulted from the exercise of mere mechanical skill.

The District Court did not make any finding of fact that invention was not involved in the production of the patented device or that it was the result of the exercise of mere mechanical skill. Perhaps it was the view of the court that, because of the simplicity of the patent and of the prior art and the lack of necessity of extrinsic evidence, the question was one of law* because it entered conclusions of law (R. 305) holding the patent invalid for lack of invention.

Apparently the Court of Appeals was of the same view because it found it "unnecessary to analyze the prior art in detail" (R. 319). That court's conclusion that the patented device could not "reasonably be regarded as the product of inventive genius," in view of the evidentiary facts found, must also be regarded as a conclusion of law.

Even if, in this case, the question of invention be regarded strictly as one of fact, this Court will, despite concurrent findings below, reverse if those findings are clearly erroneous. See *Altoona Publix Theatres v. American Tri-*

**Heald v. Rice*, 104 U. S. 737, 749; *Mahn v. Harwood*, 112 U. S. 354, 358; *U. S. v. Esnault-Pelterie*, 303 U. S. 26, 30.

Ergon Corp., 294 U. S. 477, 488, in which this Court reversed the concurrent findings of the lower Courts on the question of invention in respect of claims 5 and 17 of the patent suit.

A finding is clearly erroneous if it is arrived at by the application of a wrong principle of law or by the failure to apply the correct principle of law. *Tilghman v. Proctor*, 125 U. S. 136; *Warren v. Keep*, 155 U. S. 265.

In the present case the conclusion of lack of invention is clearly erroneous because it was arrived at by the failure of the courts below to apply the correct principle of law to the evidentiary facts.

As set forth in the foregoing Petition, the Court of Appeals found that Warden had made a meritorious discovery which was an effective and economical solution of a long-existing, well-recognized problem, which others had tried in vain to solve, and that his solution was immediately adopted and has met with commercial success. These facts are the accepted indicia of invention and when they have been found to exist, the courts below should have concluded, under the controlling decisions of this Court, that invention was exercised and not mere mechanical skill.

This principle of law is most succinctly stated by this Court in *Paramount Publix Corp. v. American Tri-Ergon Corp.*, 294 U. S. 464, 474, as follows:

“Where the method or device satisfies an old and recognized want, invention is to be inferred, rather than the exercise of mechanical skill. For mere skill of the art would normally have been called into action by the generally known want.”

The Court then cites five earlier decisions to the same effect. And this principle was applied by the Court as

recently as February 28, 1944, when it decided the case of *The Goodyear Tire & Rubber Co. et al v. Ray-O-Vac Company*, . . . U. S. . . . (No. 262—October Term 1943).

The Court of Appeals found that the problem solved by Warden was a serious one and had existed for ten years (R. 316). It also found that "the officers whose duty it was to collect the tax on automobiles were aware of the problem and were trying to solve it, but had failed to arrive at a satisfactory solution" (R. 316). The record also shows the unsuccessful attempts of the patentee Jaschun of New York (patent No. 1,689,140, R. 76) and of Hulsebos of Michigan (patent No. 1,707,723, R. 80) to solve this well-recognized problem. Each proposed a readily removable metal license tag to be carried on the inside of the vehicle and which the driver would put in his pocket when he was not operating the automobile.

In these circumstances, the decision of this Court in *Expanded Metal Co. v. Bradford*, 214 U. S. 366, is directly applicable. The Court said (214 U. S. 381):

"It may be safely said that if those skilled in the mechanical arts are working in a given field, and have failed, after repeated efforts, to discover a certain new and useful improvement, that he who first makes the discovery has done more than make the obvious improvement which would suggest itself to a mechanic skilled in the art, and is entitled to protection as an inventor."

It is submitted, therefore, that the conclusion of the courts below that the patented device lacks invention is clearly erroneous and that the error arose by the failure of the courts to apply the correct principle of law as laid down in the controlling decisions of this Court.

Point II.

When a patentee has created out of an old material a new device in which a known characteristic of the old material is so utilized for the first time as to enable the device made therefrom to serve a new and useful purpose, the patent may not be declared invalid under the doctrine of *Roberts v. Ryer*, 91 U. S. 150, which is to the effect that the inventor of a machine (here, the material) is entitled to the benefit of all uses to which it can be put, whether he knew of them or not.

The novelty of Warden's patented license tag for motor vehicles is not in the least affected by any of the prior art or practices of record. Prior to Warden's invention, there simply did not exist anywhere a license tag for a motor vehicle comprising a frangible film as described in Claim 3 of the patent in suit.

A decalcomania, as such, was old and well known prior to Warden's invention and this is conceded. Warden does not contend that he was the first to put a decalcomania upon an automobile, nor does he contend that he was the first to make a decalcomania having a number on it. But, clearly, these concessions have no bearing upon the question of whether it involved invention to create a license tag for motor vehicles in the form of a frangible film.

A decalcomania is a type of film which, because of the way it is made and the materials that are employed in it, inherently possesses the characteristic of frangibility. But no one before Warden ever thought of taking advantage of the frangibility of a film for the purpose of preventing the removal by theft and the unauthorized transfer of a motor vehicle license tag from one automobile to another.

The record shows that the material commonly known as a decalcomania is very old and that patents thereon issued

as early as 1863 (See patent No. 40,489 issued to Loewenberg Nov. 3, 1863, R. 51). All of the decalcomania patents of record in this case had expired many years before Warden made his invention. Because of this fact, the Court of Appeals mistakenly applied to the present case the doctrine of *Roberts v. Ryer*, 91 U. S. 150 which holds (91 U. S. 157):

“It is no new invention to use an old machine for a new purpose. The inventor of a machine is entitled to the benefit of all the uses to which it can be put, no matter whether he had conceived the idea of the use or not.”

The doctrine of the cited case is not applicable here because Warden has not simply discovered a new use for an old device. He has created an entirely new device for an entirely new purpose. The fact that the material out of which the new device is made may be old does not detract from the novelty of a new device made therefrom.

The case of *Roberts v. Ryer* was decided in 1875. Twenty years later this Court decided the case of *Potts v. Creager*, 155 U. S. 597. The latter case points out the distinction between a mere “double use” of an old device (that is to say, a merely different use) and a really *new* use in an entirely different art and for an entirely different purpose. This case clearly limits the doctrine of *Roberts v. Ryer*. In the course of the opinion, this Court said:

“Indeed, it often requires as acute a perception of of the relations between cause and effect, and as much of the peculiar intuitive genius which is a characteristic of great inventors, to grasp the idea that a device used in one art may be made available in another, as would be necessary to create the device *de novo*.” (155 U. S. 607-608.)

“As a result of the authorities upon this subject, it may be said that, if the new use be so nearly analogous to the former one, that the applicability of the device to its new use would occur to a person of ordinary me-

chanical skill, it is only a case of double use, but if the relations between them be remote, and especially if the use of the old device produce a new result, it *may* at least involve an exercise of the inventive faculty." (155 U. S. 608.)

The case of *Potts v. Creager* has been cited and followed in a host of cases in the lower courts under circumstances identical with those in the case at bar. Some of these cases are: *A. B. Dick Co. v. Wichelman*, 74 F. 799, (affirmed C. C. A. 2, 88 F. 264); *National Hollow Brake-Beam Co. v. Interchangeable Brake-Beam Co.*, (C. C. A. 8) 106 F. 693; *Mallon v. Gregg*, (C. C. A. 8) 137 F. 68; *H. J. Heinz Co. v. Cohn*, (C. C. A. 9) 207 F. 547; *Rembusch v. Bennethum*, 214 F. 257; *Lakewood Engineering Co. v. Walker*, (C. C. A. 6) 23 F. (2) 623; *Silver-Brown Co. v. Sheridan* (C. C. A. 1) 71 F. (2) 935. This Court has also consistently adhered to the doctrine of *Potts v. Creager* and has cited it as recently as its decision in *The Goodyear Tire & Rubber Co. v. Ray-O-Vac*, ... U. S. ..., (decided February 28, 1944).

The outstanding fact is that during the entire ten-year period, when the problem of the theft and unauthorized transfer of license tags continued to vex the officials of the City of Chicago who tried unsuccessfully to solve it, decalcomanias were to be seen everywhere. Yet it did not occur to any one concerned with the problem that out of this old and well known material might be made a license tag which would completely solve the problem. Yet it is now contended that the solution "was always ready at hand and easy to be seen by a merely skilfull attention" (*Diamond Rubber Co. v. Consolidated Rubber Tire Co.*, 220 U. S. 428, 435). We submit that he who made this very useful discovery that others were incapable of seeing, and who has so greatly benefited the public, should not be deprived of the fruits of his invention on the mistaken conclusion that all he did was to discover a mere "double use" for an old device.

Point III.

The validity of the patent in suit is a matter of great public importance and concern because the patent is of great and peculiarly direct public interest in that it has enabled the tax collectors of cities, towns and villages throughout the country more completely to perform their duty and thus more equitably to distribute the tax burden among the taxpayers.

A reading of the specification of the patent in suit (R. 43 et seq.) shows that the whole purpose of the invention was to prevent the perpetration of frauds on the licensing officials of States and other Governmental bodies, and to save the public the annoyance and expense occasioned by the theft of their vehicle license plates. That the invention has accomplished its intended purpose is indicated by the statement of the Court of Appeals (R. 317) "Since the adoption by the City of Chicago of Warden's plan of licensing automobiles, the number of duplicates issued has become negligible, as have also prosecutions for the theft of licensed tags."

In this respect the patent in suit touches more directly the public interest than perhaps any other patent that has been before this Court in many years. Over 150 cities and villages are licensed users of the patented invention. There are also unlicensed users, such as the City of St. Louis, defendant in this case.

We submit, therefore, that the question of the validity of the patent in suit is an important one to a great many Governmental units throughout the country and is of great interest to the taxpaying public.

CONCLUSION.

In these times when the lower courts are beset with grave doubts and confusion because of a feeling that there is a pronounced new "doctrinal trend" by this Court in its decisions in patent cases (see, for example, *Picard v. United Aircraft Corp.* (C. C. A. 2), 128 F. (2) 532; *Chicago Steel Foundry Co. v. Burnside Steel Foundry Co.* (C. C. A. 7), 132 F. (2) 812; *Trabon Engineering Corp. v. Dirkes* (C. C. A. 6), 136 F. (2) 24; *Abbott Machine Co. v. Universal Winding Co.* (C. C. A. 1), 137 F. (2) 166), and when the National Patent Planning Commission has found that the lack of a uniform standard or test for determining patentability is the most serious weakness in the patent system, threatening its usefulness, and recommends the declaration of a national policy that patentability shall be determined objectively (see the report of the Commission printed as House Document No. 239, 78th Congress, 1st Session, *V. Uniform Standard of Invention, A. Declaration of National Policy*), we submit that the present case is an appropriate one for the exercise by this Court of its supervisory power to take up the case and to reaffirm the settled principle that invention is not to be denied where a long-existing, well-recognized problem has been effectively and economically solved.

It is prayed, therefore, that a writ of certiorari be granted and that this Court review the decision of the Circuit Court of Appeals for the Eighth Circuit and reverse it.

Respectfully submitted,

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